



MULTIFAMILY REPORT

Portland: Safety First

Summer 2021



RBN Communities in High Demand

Transaction Activity Rebounds

Rent Growth Picks Up

PORTLAND MULTIFAMILY



Volatility Persists, Demand Strengthens

Portland is one of the coastal markets that has benefited from pandemic-induced migration patterns, with the area offering a less dense and more affordable environment to residents looking to relocate. The multifamily market responded to the dynamic, with rents up 0.7% on a trailing three-month basis through April to \$1,473, outperforming the U.S. average, up 0.5% to \$1,417.

The start of the health crisis marked the end of a prosperous decade for Portland, but steadily, the local economy began rebounding in the second half of 2020, pushing the unemployment rate down to 6.3% as of March 2021, according to Bureau of Labor Statistics data. The employment market was still well in the red as of February, posting an 8.4% year-over-year contraction, behind the -7.2% U.S. rate. Still, the metro's largest sector—trade, transportation and utilities—lost just 0.8% of its workforce, and the vaccine rollout will likely speed up the recovery. Case in point, Intel announced plans to continue expansion during the next few years.

Last year was the decade's second best for deliveries in Portland, followed by another 1,542 apartments that came online in the first four months of 2021. An additional 8,189 units were underway going into the second quarter. Meanwhile, sales totaled \$419 million, and the price per unit increased by 16.9%, to \$224,702.

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Recent Portland Transactions

Bridge Creek



City: Wilsonville, Ore.
Buyer: Nuveen Real Estate
Purchase Price: \$72 MM
Price per Unit: \$228,571

Boulder Creek



City: Wilsonville, Ore.
Buyer: Nuveen Real Estate
Purchase Price: \$65 MM
Price per Unit: \$219,595

ArLo



City: Portland, Ore.
Buyer: Hamilton Zanze & Co.
Purchase Price: \$50 MM
Price per Unit: \$282,857

The Prescott



City: Portland, Ore.
Buyer: The Green Cities Co.
Purchase Price: \$43 MM
Price per Unit: \$279,032